WORLD TRADE ORGANIZATION

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Working Party on Domestic Regulation

REPORT OF THE WORKING PARTY ON DOMESTIC REGULATION TO THE COUNCIL FOR TRADE IN SERVICES

1.In December 1998, the Council for Trade in Services adopted the *Disciplines on Domestic Regulation in the Accountancy Sector* (S/L/64, 17 December 1998). The Council Decision is in WTO document S/L/63 (15 December 1998), and the final report of the Working Party on Professional Services to the Council, recommending adoption of the accountancy disciplines, is contained within WTO document S/WPPS/4 (10 December 1998).

2.The Council Decision establishing the Working Party on Domestic Rregulation (S/L/70, 28 April 1999), mandated that the activities of the previous WPPS be incorporated into those of the new WPDR. In the period December 1998 to April 1999, the WPPS had held two formal meetings under the chairpersonship of Michael Stone of Hong Kong, China. Minutes of the formal meetings are contained in WPPS documents M/24 and M/25.

3.Through November 1999, the Working Party on Domestic Regulation has held three formal meetings, and one informal meeting, under the chairpersonship of Paul Robertson of Canada since the Working Party was created in April 1999. Minutes of the formal meetings are contained in WPDR documents M/1 through M/3.

4.Discussions of the WPDR have focused mainly on issues related to the development of multilateral disciplines on domestic regulation, to be horizontally applicable. To facilitate discussions, the Secretariat prepared two background papers at the request of the Council for Trade in Services (S/C/W/96 and /W/97, both dated 1 March 1999). Informal papers were submitted by the Chairperson and the Secretariat (Job No. 2800, 12 May 1999, and Job No. 5929, 8 October 1999). A formal paper was also submitted by Australia (S/WPDR/W/1, 19 July 1999). The issues of necessity and transparency have received the greatest attention to date by Members.

5.To help advance the work on professional services, the delegation of Hong, Kong, China submitted two informal papers (Job No. 2784, 12 May 1999, and Job No. 3547, 21 June 1999). Following discussions, the WPDR decided at its second meeting on 14 July that Members would consult on a voluntary basis with their domestic professional associations concerning the potential applicability of the accountancy disciplines for their professions, while the Secretariat would consult with relevant international organizations to be identified by Members. Agreed deadlines for the voluntary consultations by Members were 31 December 1999 to complete domestic consultations, and 31 March 2000 for Members to notify the WTO of the results of their consultations.